

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 95-926-C - ORDER NO. 95-1344
JULY 10, 1995

IN RE: Request of Alltel Mobile Communications,)	ORDER
Inc. and BellSouth Mobility for Approval)	APPROVING
of Transactions Relating to Wireline)	TRANSFER OF
Cellular Licenses for the Florence MSA)	WIRELINE
and Columbia MSA.)	CELLULAR
)	LICENSES

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Joint Petition of Alltel Mobile Communications, Inc. (AMCI) and BellSouth Mobility, Inc. (BMI) (Collectively referred to as Petitioners) for approval of transactions relating to Wireline Cellular Licenses for the Florence MSA and the Columbia MSA.

On May 12, 1995, the Petitioners filed with the Commission the Joint Petition requesting approval of transactions relating to Wireline Cellular Licenses for the Florence MSA and Columbia MSA. By letter dated May 16, 1995, the Commission's Executive Director instructed the Petitioners to publish a prepared Notice of Filing in newspapers of general circulation in the areas affected by the Petition. The Notice of Filing indicated the nature of the Joint Petition and advised all interested parties desiring to participate of the manner and time in which to file appropriate pleadings. The Petitioners filed affidavits indicating that they complied with the

Executive Director's instructions. The Commission received no Petitions to Intervene or Letters of Protest.

A public hearing was held in the offices of the Commission on June 21, 1995, at 11:00 a.m. The Honorable Rudolph Mitchell, Chairman, presided. D. Reece Williams, Esquire and Frank R. Ellerbe, III, Esquire, represented Alltel Mobile Communications, Inc., and Palmer Freeman, Jr., Esquire, represented BellSouth Mobility, Inc. Florence P. Belser, Staff Counsel, represented the Commission Staff.

Don Steely, Senior Vice President - Administration of AMCI, appeared and offered testimony at the hearing. Mr. Steely testified that BMI is an affiliate of BellSouth Personal Communications, Inc. which has been awarded a license by the Federal Communications Commission (FCC) to provide Personal Communication Services (PCS) for Market M006, Charlotte-Greensboro-Greenville-Raleigh, Block B. Because of the award of this license and in order to comply with the FCC rules on PCS-cellular cross-ownership (section 24.204 of the FCC's rules), BMI must divest itself of ownership of certain interests in cellular licenses within this Block B. To divest itself of its interest in cellular licenses, BMI entered into a definitive agreement with AMCI which, among other things, will enable it to convert its controlling interests in the wireline cellular licenses for the Columbia MSA and the Florence MSA to limited partnership interests. These changes and others contemplated by the agreement will enable BellSouth Personal Communications, Inc. to comply with

the FCC regulations concerning PCS-cellular cross-ownership.

According to Mr. Steely, the Florence MSA wireline license is currently held by South Carolina Cellular Services, Inc., which is a wholly-owned subsidiary of BMI. The wireline license for the Columbia MSA is currently owned by the Columbia MSA Limited Partnership which is owned by South Carolina Cellular Services as an 85.5% general partner and AMCI as a 14.5% limited partner. Mr. Steely testified that under the agreement between AMCI and BMI, AMCI and BMI are forming a new limited partnership known as Alltel Cellular Associates of South Carolina Limited Partnership (Alltel Cellular Associates). Alltel Cellular Associates will be owned approximately 53% by Alltel Mobile Communications of the Carolinas, Inc. (a wholly owned subsidiary of AMCI) as general partner and approximately 47% by South Carolina Cellular Services as limited partner.

Mr. Steely testified that upon closing of the agreement, South Carolina Cellular Services will transfer all of its assets relevant to the operation of the wireline system in the Florence MSA, including the relevant FCC licenses, to Alltel Cellular Associates of South Carolina Limited Partnership. At the same time, South Carolina Cellular Services and AMCI will transfer their partnership interests in the Columbia MSA Limited Partnership to Alltel Cellular Associates of South Carolina Limited Partnership. Upon completion of the transaction, Alltel Cellular Associates will own and operate the cellular systems in Columbia and Florence. Also, under the terms of the partnership agreement, Alltel Mobile

Communications of the Carolinas will manage both the Florence MSA and Columbia MSA wireline cellular systems as general partner.

Mr. Steely also testified that the new partnership has the experience and expertise necessary to properly manage and operate the cellular system. According to Mr. Steely, the general and managing partner of the new partnership, Alltel Mobile Communications of the Carolinas, is a wholly-owned subsidiary of AMCI. Mr. Steely states that AMCI has operations and interests in 18 states and currently serves over 500,000 cellular customers and is amply qualified to operate the cellular wireline systems for the Columbia MSA and the Florence MSA.

Upon review of the Joint Petition and the testimony presented at the hearing, the Commission finds and concludes that the transactions relating to the Wireline Cellular Services as set forth above and in the Joint Petition are in the public interest and should be, and are hereby, approved.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)